

IV. REMARKS

RESPONSE TO REJECTIONS

Reconsideration of the application is requested.

Claims 28 – 41 have been newly added to replace canceled original Group I claims 1-6, 14-19 (actually 1-6 and 13-18 when correcting for nonexistent claim 12). No new matter has been introduced with this amendment. Support for the new claims may be found throughout the specification, among other places on page 8, line 20 to page 9, line 7, page 12, line 21 to page 13, line 2, same page, line 23 to page 14, line 6, and page 19, line 5-8.

Claim 28 replaces canceled claim 1 and is believed to define the invention more clearly. Similarly, claim 40 (replacing claim 17) is more clearly defined as a system to operate the inventive method of claim 28.

35 U.S.C. §112

- **The Examiner's Position:**

Claim 16 is rejected under 35 U.S.C. 112, first and second paragraphs, as being not enabled and as indefinite. In the opinion of the Examiner the claim has the viewer/user paying compensation even though advertisements are included in the content.

Applicant's Response:

As discussed above, the correct number of original Group I claim 16 should have been actually 15 since claim 12 was absent from the claims. Moreover, the claim has now been canceled and replaced by the newly added claim 37, which is directed to a choice option wherein the viewer/user selects a content being provided together with an embedded advertisement for which a choice compensation is not made to the content provider. Therefore, in view of the cancellation of the rejected claim and the introduction of the new claim 37, the rejection under the statute is deemed moot and should be withdrawn by the Examiner, which action is solicited.

35 U.S.C. §103(a)

- **The Examiner's Position:**

Claims 1-6, 14-19 are rejected under 35 U.S.C. §103(a) as obvious over Dedrick, US 5,752,238.

The Examiner specifically states that Dedrick discloses the invention in the multiple options of subsidized content consumption.

- **Applicant's Response:**

Applicant respectfully traverses the Examiner's 35 U.S.C. §103(a) rejection based in part upon the argument that the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would not have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

The presently claimed invention offers the viewer/user an option to choose on a content by content basis between accepting from a content provider over a data network a content without advertisement for which a choice compensation is due, or a content together with advertisement for which no choice compensation is due. This method is not reasonably predicted from the cited Dedrick disclosure wherein individual end users control price of content they consume by selecting a pricing option. Once Dedrick locks the end user into certain ratios of content to advertisement, all the programming is viewed as arranged. By contrast, the instant method as presently claimed allows the choice option of accepting advertisement or not, on a content by content basis (page 9, line 5-8). On the contrary, the instant viewer/user has the option to make a choice between at least two different content offers depending on each individual content provided. The viewer of the presently claimed invention is therefore also a user in the

sense that an individual choice as to what to view is being made (page 9, line 20-21). The term viewer/user is therefore meant to be interchangeable in as much as the viewer and the user are recited interchangeably throughout the instant specification (page 7, line 19-20; also page 12, line 13, and page 8, lines 3, 15, 18, 21). Moreover, the instant content option as claimed advantageously allows the cost of the content to the viewer/user to vary based on the preference or demographics by matching the choice of viewing the provided content either without advertisement or with advertisement wherein the cost and quality of the content is matched with the individual viewer/user. For example, the youthful viewer/user may accept a larger number of commercials to be able to alleviate the cost of a special sports event or other desired show on a content by content basis than in the case of provided content where continuity and story quality are more desirable. It is through the invention as claimed in the presently pending claims 28 and 40 that these choices offer an advantageous and surprising flexibility of individual content selection with or without choice compensation, which method is not reasonably taught or even remotely suggested by the cited art.

In view of the unobvious differences of the new main claims 28 and 40, Applicant asserts that the rejections under 35 U.S.C. 103 have been overcome. Applicant notes that each of the original claims 2-6, 14-19 (actually, claims 2-6 and 13-18, now canceled) that has been rejected by the Examiner under 35 U.S.C. §103(a) has been replaced by newly added claims 29-39 and 41 depending from the independent new claims 28 and 40 which were discussed above with respect to the Examiner's 35 U.S.C. §103 (a) rejection. As each of these independent claims are asserted to be patentable for at least the reasons discussed above, Applicant respectfully asserts that each of the dependent claims, which claims something less than the independent claims, also asserts patentable subject matter.

In view of the presently entered amendment, Applicant deems the application in condition for allowance, which favorable action is herewith solicited.

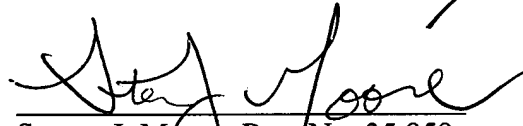
NEW ART OF RECORD NOT RELIED UPON

The Examiner has made of record, but not relied upon, U.S. Patent No. 5,794,210 to Narasimhan *et al.* which the Examiner asserts is pertinent to Applicant's disclosure as the reference discloses user. Applicant has reviewed such reference and does not believe that such reference impacts the patentability of the claims as presently pending for all of the reasons set forth above.

CONCLUSIONS

An early notice of allowance in the next office action is earnestly requested.

Respectfully Submitted,



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